

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1195 - SB 1248

February 15, 2022

SUMMARY OF BILL AS AMENDED (013467): Requires a health insurance entity, a health services provider, or a health facility to notify a patient of communication among the entity, a health services provider, and a health facility concerning the patient's medical claim within five business days after the communication has occurred. Requires a utilization review agent who requires additional information from an enrollee, provider, or healthcare facility to make a determination on a request for prior authorization no later than five days after the receipt of the request. Effective January 1, 2023.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- The Division of Benefits Administration does not anticipate an increase in administrative costs associated with this legislation. Any increase in expenditures, if incurred, will take place in the next contract procurement, which will be FY26-27.
- The proposed legislation does not apply to managed care organizations contracting with the state to provide insurance through the TennCare program; therefore, no fiscal impact to the Division of TennCare.
- Based on information provided by the Department of Commerce and Insurance (DCI), the proposed legislation will not impact any programs or policies of the DCI; therefore, any fiscal impact is estimated to be not significant.

IMPACT TO COMMERCE OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumption for the bill as amended:

- There will be no significant impact to jobs or commerce in Tennessee.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

Krista Lee Carsner, Executive Director

/cd